

May 15, 1975

claim any great knowledge of the area but I do trust and know that Senator Burbach who has been Chairman of the Revenue Committee of this Legislature for many years until this time when he became Speaker, and before I offered the motion and before I did the amendment, I discussed it with Senator Burbach many times. Senator Burbach says that was really part of the original thinking to start with and somewhere along the way it didn't quite make it. My interest, and my only interest, in this is to make sure that there is not the triggering of a 3% sales tax and this amendment would preclude it. Now there are those that are involved that are corporations, and I know of many of the corporations, in fact I guess all of them oppose the amendment I put on. The reason I gather their opposition is, that they oppose it because they believe that this will allow the escalation of the income tax, but for those that don't understand the amendment, I would ask that you listen very carefully. The amendment does absolutely nothing to the relationship between corporate income tax and individual income tax. The corporate tax may only go up as the individual income tax goes up. So for those that are fearing and trembling at the fact that corporate income taxes would go up, they cannot go up individually from the individual income tax. That's not an argument. The thing that we are trying to preclude with this amendment is to keep ourselves in a position so that the sales tax doesn't go up. There are those that have suggested that the bill will not pass with that amendment in it. I doubt that. I seriously doubt that. The biggest objection to this amendment is coming from the corporations and I think their fears are unfounded. It is not my desire. It is not my intention that we raise corporate taxes through this method. 123 was the legitimate place to do that and I voted for 123 in the original form and I voted for what was the "the compromise" bill. There is no reason to take this out except that some corporations want it out, and I would say to you that if we need the tax rate of 13%, and I trust the judgments of the members of this Legislature to belly up to the issue and do it, but for someone to try to scare us into the fact that this bill is not going to be passed if this particular amendment is out, I'd say that is reprehensible and we ought to repudiate it.

PRESIDENT: Senator Syas.

SENATOR SYAS: I just wish to say, and I hope I have got a right, so I hope that Frank Lewis will listen a minute and Senator Duis. As I understand the Duis amendment, if you take out that word individual in the Lewis amendment, then corporations...I want to know if I am right. I hope you're listening, Senator...all right. If you take out the word individual, then you count corporate income tax along with the individual income tax which now the law says they have to be equal, so that would raise the sales tax. That's the way I got it. Now if you keep the Lewis amendment in there, where the corporate income tax does not count as a half or that...part of the individual income tax, then the individual income tax and the sales tax are half and half, is that correct? Approximately figured that way, therefore, you do not have to raise the sales tax. In other words, to keep from raising the sales tax, you vote against the Duis amendment, is that correct? All right. I will not vote to raise the sales tax. I will go along with some